

Message Text

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PAGE 01 WARSAW 01694 010956Z
ACTION OES-07

INFO OCT-01 EUR-12 ISO-00 ABF-01 OMB-01 TRSE-00 L-03
CIAE-00 INR-10 NSAE-00 COME-00 /035 W
-----072790 011529Z /53
R 010757Z MAR 78
FM AMEMBASSY WARSAW
TO SECSTATE WASHDC 3583

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FOR OES/APT/SEP AND A/BF/FC

EO 11652: NA
TAGS: TGEN OSCI PL
SUBJ: US-POLISH JOINT FUND FOR S&T

REF: (A) WARSAW 0907, (B) WARSAW 0990

1. STEFAN KAPUSTA (MINISTRY OF FINANCE) INFORMS US THE POLISH SIDE HAS BEEN CONSIDERING THE NEED TO EXPEND ADDITIONAL ZLOTYS FOR POLISH TRAVELERS CAUSED BY THE CHANGE IN THE ZLOTY-DOLLAR EXCHANGE RATE. AS NOTED IN REF A, THEY SUGGEST WHERE POSSIBLE THAT FUNDS BE SHIFTED FROM ANOTHER PART OF A PROJECT BUDGET INTO THE TRAVEL CATEGORY. HOWEVER, WHEN FUNDS IN A PROJECT BUDGET ARE INSUFFICIENT, THE POLISH SIDE IS PREPARED TO COVER THE DIFFERENCE FROM THE POLISH CONTRIBUTION TO THE JOINT FUND, THAT IS, TO ADD ZLOTYS TO A PROJECT BUDGET IN ORDER TO CUSHION THE IMPACT OF THE NEW EXCHANGE RATE. THEY WILL PRESENT THIS PROPOSAL FORMALLY TO THE JOINT BOARD FOR APPROVAL. THE ONLY ALTERNATIVE IS TO REDUCE SEVERELY TRAVEL, WHICH COULD CAUSE SERIOUS DIFFICULTIES TO THE CONDUCT OF THE PROJECTS AND WHICH NO ONE HERE FAVORS.

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2. COMMENT: IN MAKING THE FOREGOING OFFER, THE POLES EVIDENTLY BELIEVED THE ONLY IMPACT OF THE EXCHANGE RATE CHANGE WOULD BE ON POLISH TRAVELERS. HOWEVER, ACCORDING TO THE LOCAL PAMAM OFFICE, THE PREPAID TICKETS WEE PURCHASE FOR AMERICAN TRAVELERS FROM THE SUBSIDIARY ACCOUNT WILL HENCEFORTH COST 67 PERCENT MORE ZLOTYS. WE HAVE POINTED THIS OUT TO MRS. PIECHOCKA, WHO SAID SHE WOULD CONSULT

WITH KAPUSTA AND WALICKI ON WHETHER THE POLES MIGHT CONSIDER
EXTENDING THEIR OFFER TO ALSO COVER THE ADDITIONAL
TRAVEL COSTS FOR AMERICANS. END COMMENT.

3. KAPUSTA AGAIN INQUIRED WHETHER THE US SIDE CAN
CONSIDER ALLOWING SOME PER DIEM COSTS TO BE CHARGED
AGAINST THE US\$1.25 MILLION CEILING FOR INTERNATIONAL AIR
FARES SPECIFIED IN PARAGRAPH A-4 OF THE DAVIES-KRZAK
EXCHANGE OF LETTERS OF DECEMBER 11, 1976. COMMENT. THE
POLES HAVE ASKED ABOUT THIS SEVERAL TIMES RECENTLY AND
HAVE INCLUDED IT ON THEIR PROPOSED AGENDA FOR THE WORKING
GROUP MEETING (REF B). THEY APPARENTLY REGARD IT AS A
SERIOUS PROBLEM AND HOPE THE US SIDE MIGHT
FIND IT POSSIBLE TO OFFER FAVORABLE CONSIDERATION. IF
NOT, THE US SIDE SHOULD BE PREPARED TO PROVIDE A FULL
AND CLEARLY UNDERSTANDABLE EXPLANATION, TAKING INTO ACCOUNT
THAT THE CEILING WOULD REMAIN UNCHANGED AND PRESUMABLY
THERE WOULD BE NO ADDITION TO THE OVERALL OBLIGATIONS
OF THE US SIDE. END COMMENT.

BROWN

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: FOREIGN EXCHANGE RATES
Control Number: n/a
Copy: SINGLE
Draft Date: 01 mar 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978WARSAW01694
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Document Unique ID: 00
Drafter: n/a
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Expiration:
Film Number: D780093-1162
Format: TEL
From: WARSAW
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t197803117/aaaadvoc.tel
Line Count: 83
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: ddf03dba-c288-dd11-92da-001cc4696bcc
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Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
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Reference: 78 WARSAW 907, 78 WARSAW 990
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Review Content Flags:
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Review Exemptions: n/a
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Secure: OPEN
Status: NATIVE
Subject: US-POLISH JOINT FUND FOR S&T
TAGS: TGEN, OSCI, PL
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Type: TE
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